UNITED NATIONS

A

General Assembly

Distr.
GENERAL

A/52/433
8 October 1997
ENGLISH
ORIGINAL: SPANISH

Fifty-second session
Agenda item 20 (b)

Strengthening of the coordination of humanitarian and disaster relief assistance of the United Nations, including special economic assistance: special economic assistance to individual countries or regions

Assistance for the reconstruction and development of El Salvador

Report of the Secretary-General

CONTENTS

		Paragraphs	Page
I.	INTRODUCTION	1 - 3	3
II.	ECONOMIC SITUATION IN 1995-1996, ECONOMIC OUTLOOK FOR 1997 AND ECONOMIC AND SOCIAL DEVELOPMENT PLAN FOR 1994-1999	4 - 14	3
	A. Economic situation in 1995-1996 and economic outlook for 1997	4 - 10	3
	B. Economic and social development plan for 1994-1999	11 - 14	4
III.	ADVANCES IN RECONSTRUCTION AND THE STRENGTHENING OF DEMOCRATIC INSTITUTIONS	15 - 78	5
	A. Financial requirements and response from the international community	15 - 23	5
	B. Progress and implementation of programmes and projects	24 - 78	6

97-26689 (E) 201097 221097

/...

CONTENTS (continued)

		Paragraphs	Page
1.	Economic and social reintegration of former combatants of the Frente Farabundo Martí para la Liberación Nacional (FMLN) and of demobilized members of the armed forces of El Salvador and assistance to landholders	27 - 45	7
	(a) Rural reintegration	28 - 37	7
	(b) Urban reintegration	38 - 42	9
	(c) Care for the war-disabled	43 - 45	9
2.	Assistance to communities affected by the conflict	46 - 54	10
3.	Major infrastructure	55 - 56	12
4.	Strengthening of democracy	57 - 78	12
	(a) Judicial system	57 - 61	12
	(b) The electoral process	62 - 65	13
	(c) Public security	66 - 72	14
	(d) Human rights	73 - 78	15
IV.	PROSPECTS FOR NATIONAL RECONSTRUCTION AND THE STRENGTHENING OF DEMOCRACY	79 - 85	16

I. INTRODUCTION

1. This report has been submitted in compliance with General Assembly resolution 50/58 C of 12 December 1995, by which the General Assembly, inter alia, decided to consider the question of assistance for the reconstruction and development of El Salvador at its fifty-second session.

2. More than five years have elapsed since the signing of the peace agreements between the Government of El Salvador and the Frente Farabundo Martí para la Liberación Nacional (FMLN) in January 1992. The objective of the agreements was to put an end to the conflict, ensure the transition to peace and establish the foundation for a democratic transition process. Following the signing of the agreements, various activities linked to the process of reconstruction, the demobilization of former combatants and the strengthening of democratic institutions were carried out.

3. The effort to consolidate peace is proceeding within a complex context linking reconstruction and development with reconciliation and participation in the democratic process. A lasting peace requires sustained economic growth fostered by a modern State structure which guarantees equity in the provision of basic services and embraces the transformations achieved by democratic institutions. This report, which should be read in conjunction with the assessment of the peace process in El Salvador submitted to the General Assembly on 1 July 1997 (A/51/917), presents a three-part analysis of the efforts of the United Nations system to promote the consolidation of peace, reconstruction and development: (a) the economic situation in 1995-1996, the outlook for 1997 and the economic and social development plan; (b) advances in reconstruction and the strengthening of democratic institutions; and (c) prospects for national reconstruction and the strengthening of democracy.

II. ECONOMIC SITUATION IN 1995-1996, ECONOMIC OUTLOOK FOR 1997 AND ECONOMIC AND SOCIAL DEVELOPMENT PLAN FOR 1994-1999

A. Economic situation in 1995-1996 and economic outlook for 1997

4. Economic growth averaged 6 per cent from 1992 to 1995 and stood at 3 per cent in 1996. The decline may be explained by slower growth in the agricultural and livestock, commerce and industrial sectors. The share of the agricultural and livestock sector in gross domestic product (GDP) declined from 17 per cent in 1990 to 13.4 per cent in 1996. Despite significant economic growth, poverty levels in El Salvador, estimated at 49 per cent during the past year, have remained high.

5. Inflation in 1992 stood at 20 per cent. It has gradually fallen since then, although it rose in 1995, then dropped to 7.4 per cent in 1996. The 1995 upsurge was attributable to the rise in the value-added tax (VAT), the impact of credit expansion on external accounts and the increase in prices for various services. Lower tax revenues resulting from tariff reductions and the need for resources to finance various programmes under the peace agreements led to an increase in VAT from 10 per cent to 13 per cent.

6. Domestic savings rose, reflecting the increased confidence of economic agents in investments in financial instruments. Irregularities in some financial institutions undermined that confidence, affecting a substantial number of investors. The non-financial public-sector deficit as a proportion of GDP declined from 6 per cent in 1992 to 0.9 per cent in 1995. During 1996, receipts declined, government expenditure increased and the deficit rose to 2 per cent of GDP.

7. The trade deficit rose from US$ 818 million in 1992 to US$ 1,848 million in 1995, and fell to US$ 1,623 million in 1996. Exports registered a welcome increase from US$ 763 million in 1992 to US$ 1,813 million in 1996. Family remittances rose from US$ 543 million in 1992 to US$ 1,143 million in 1996. Official grants, which averaged US$ 233 million between 1992 and 1994, dropped substantially in 1996 to US$ 60 million.

8. Net transfers financed part of the foreign trade deficit and allowed for a gradual increase in net international reserves. In December 1996, these reserves amounted to US$ 1,100 million, which was sufficient to cover imports for more than 3.2 months.

9. The 1997 monetary and financial programme establishes a target rate of 4-to-5-per-cent economic growth and 5-to-7-per-cent inflation. The aim is to increase net international reserves by US$ 100 million and increase exports by 35 per cent with an estimated trade deficit of US$ 1,568 million. Deficit financing will continue to be supported mainly by grants, loans and family remittances.

10. Regular savings would rise to 4.6 per cent of the gross domestic product (GDP), enabling the Government to devote more funds to infrastructure, local development and investment in human capital. The objective is to expand credit to the private sector at the same rate as in 1996 (14 per cent). The budget approved for 1997 reflects restraint as opposed to the previous budget, which provided for considerable increases and had an impact on private-sector credit.

B. Economic and social development plan for 1994-1999

11. The principal goal of the development plan is to promote the country's competitiveness in order to ensure a sustained growth rate and make it possible to raise living standards. In the macroeconomic sphere, the reforms are concentrated on trade, exchange and fiscal policies. In the social sector, human development and human well-being and advancement are being favoured.

12. In response to the economic slowdown, private entrepreneurs of the National Private Enterprise Association submitted a set of proposals in July 1996 for meeting three major challenges. The first is to achieve growth through domestic savings and continued fiscal discipline. The second challenge is to undertake social expenditure that is also fiscally responsible, and here the public sector must assume the appropriate subsidiary role by supporting private initiatives and fostering a healthy competition for the available funds. The third challenge is to make strides in democratic governance.

13. In response to the recession in the agricultural and livestock sector, the Government adopted an emergency plan that would support a thoroughgoing revitalization of the sector. In June 1997, President Armando Calderón Sol appointed a commission to propose criteria for drawing up a concerted national development plan, since most analysts warn that the growth of El Salvador's economy is precarious and not sustainable in the long term.

14. In the next few months, the Government's main task will be to determine the future course of the privatization process, of the public-sector modernization programme, of debt cancellation in the agricultural and livestock sector and of the reform of the financial system.

III. ADVANCES IN RECONSTRUCTION AND THE STRENGTHENING OF DEMOCRATIC INSTITUTIONS

A. Financial requirements and response from the international community

15. Since the signing of the peace agreements, the Consultative Group has held three meetings. The Government submitted its priority requirements in three areas: (a) the national reconstruction plan; (b) the supplementary programmes for implementation of the peace agreements, which cover democratic institutions; and (c) the economic and social development plan.

16. The external funding requirement for 1992-1996 was for US$ 1,566 million. At the beginning of 1994, it was established that pledges of assistance amounted to US$ 994.3 million (including pledges made before the national reconstruction plan had been completed): US$ 537.4 million in grants and US$ 456.9 million in loans. At the last meeting of the Consultative Group (in 1995), the donors confirmed or announced pledges in the amount of US$ 108.5 million for projects relating to the peace agreements (US$ 58.5 million represented donations and US$ 50 million, loans).

17. At the 1995 meeting, requests were submitted for technical cooperation in the consolidation of the peace process. Projects were prepared with the support of the United Nations Development Programme (UNDP), other United Nations agencies and the United Nations Observer Mission in El Salvador (ONUSAL). Thus far, 41 technical assistance projects have been drawn up, totalling US$ 107 million. Twenty-seven of these, amounting to US$ 38.5 million, are under way.

18. Since 1992, the international community has funded various requests for cooperation. Bilaterally, contributions have been made by Austria, Australia, Canada, Denmark, France, Germany, Israel, Italy, Japan, Mexico, the Netherlands, Norway, Spain, Sweden, Switzerland, Taiwan province of China, the United Kingdom of Great Britain and Northern Ireland and the United States of America. The following multilateral bodies have allocated resources: the Inter-American Development Bank (IDB), the International Bank for Reconstruction and Development (IBRD), the European Union (EU), the Central American Bank for Economic Integration (CABEI) and United Nations organizations. Several countries have provided the services of specialized personnel to help with the training and travel of new officers of the National Civil Police.

19. The United States has approved US$ 276 million for national reconstruction and the strengthening of democratic institutions. Other major contributions have been made by Japan (US$ 207 million), the European Union (US$ 196 million), IDB (US$ 167 million), Germany (US$ 29 million), the Nordic countries (US$ 26 million) and Spain (US$ 17 million).

20. Non-governmental organizations have also helped implement the national reconstruction plan, sometimes by providing funding of their own; these have included Catholic Relief Services (CRS), CARE, Radda Barner and Diaconía. More than 130 Salvadoran non-governmental organizations have helped to carry out the national reconstruction plan and other activities related to the peace process.

21. The United Nations has played an essential role by facilitating the negotiations that led to the agreements and by later monitoring them. UNDP took the lead in working with donors to coordinate assistance, thus acting effectively to help resolve problems of formulation and implementation.

22. There has been a decline in the funding obtained for the consolidation of peace since 1995. According to a report prepared by UNDP on technical and financial cooperation for El Salvador for the period 1992-1997, there has been a downward trend in cooperation. Assistance given in the period 1992-1996 came to 84 per cent of the funds available in the period 1987-1991.

23. There have been considerable advances in national reconstruction and the strengthening of democratic institutions, but domestic efforts still need to be supplemented by external cooperation. Without such cooperation, it is not likely that further progress will be made in economic growth and poverty reduction, or that democracy, reconstruction and sustainable democratic institutions will be strengthened.

B. Progress and implementation of programmes and projects

24. Pursuant to the peace agreements, priorities have been set and various projects formulated with the aim of: (a) achieving the economic and social reintegration of former combatants and demobilized members of the armed forces; (b) attending to the economic and social needs of the communities most affected by the conflict and improving the living conditions of the poorest groups; (c) consolidating democratic institutions; and (d) promoting legal and constitutional reform.

25. A number of donors have outlined a common agenda to coordinate their assistance. The focus has been on projects to strengthen new democratic institutions such as the Office of the National Counsel for the Defence of Human Rights, the National Civil Police and the National Public Security Academy; to support the electoral process; to implement reforms aimed at improving the administration of justice; to reintegrate former combatants and demobilized members of the armed forces; to assist the Fund for the Protection of the Wounded and War-Disabled as a Consequence of the Armed Conflict; and to support policies concerning compliance with the agreements.

26. Below is a progress report on the main programmes for reconstruction and the strengthening of democratic institutions, to round out the information

submitted at previous sessions of the General Assembly. In the period 1995-1997, the course of several projects was impeded because of limited resources; delays in the disbursement of internal and external funding; lack of continuity; lags in the progress of other initiatives on which a number of projects depend; and the specific nature of this process, for which there were no antecedents that might have facilitated rapid decisions.

1. Economic and social reintegration of former combatants of the Frente Farabundo Martí para la Liberación Nacional (FMLN) and of demobilized members of the armed forces of El Salvador and assistance to landholders

27. Reintegration remains one of the most complex aspects of the agreements, owing to the strategic criteria which must take precedence when planning the various programmes and projects. The sustainability of any such programme is closely linked to broader questions such as alleviating poverty, job creation and social integration. Land use and tenure, access to credit and technical assistance must also be linked to the development of productive and social infrastructure.

(a) Rural reintegration

28. The rural reintegration programme included providing access to land, credit, technical assistance and farm equipment. It later included basic shelter and in some cases led to incremental building.

29. The Land Transfer Programme has been one of the most difficult to implement, and various modifications have been made in order to speed up the process. Some of the problems are: (a) problems of a legal nature such as land registration, missing titles, taxes, inheritance formalities and the legal category of 'pro indiviso' under which property is transferred to groups of beneficiaries rather than to individuals; and (b) administrative problems such as staff turnover in the various institutions, delays in payments to former owners and changes to lists of beneficiaries.

30. As the Programme advanced, the coordination mechanisms became more complex and technical assistance increased. Despite the progress made, there is still a backlog in re-registering properties that were transferred with unresolved legal problems. As at April 1997 US$ 105 million had been invested in the programme and 34,691 persons (26,739 FMLN and landholders and 7,952 armed forces) had taken advantage of the Programme.

31. The transfer of land in excess of the constitutional limit (245 hectares) is one of the areas where the least progress has been made. Of the 452 potential properties submitted to the Government, 103 had been transferred to the beneficiaries by the end of 1995. Of the 33 disputed cases, 32 have not yet been resolved, and a further 57 cases have been submitted to the United Nations for review.

32. During the last two years, the beneficiaries of the Programme received less technical assistance and training. In the 1994-1995 farm year, the National Centre for Agricultural and Forests Technology (CENTA) provided agricultural

assistance to 11,007 beneficiaries in 418 properties. The projects in the Paracentral region (PRODAP) and in Chalatenango (PROCHALATE) and the European Union project department of Usulután continued to provide assistance to the Programme's beneficiaries. In the 1995-1996 farm year, training provided by various sources dropped 35 per cent owing to the beneficiaries low rate of occupancy on the transferred properties, inadequate housing conditions and, in many cases, the limited existing infrastructure.

33. In response to a request addressed to the Secretary-General, the United Nations Development Programme (UNDP), the Food and Agriculture Organization of the United Nations (FAO) and the United Nations Mission in El Salvador (MINUSAL) developed a programme which: (a) evaluated the economic potential of the Programme on the basis of a diagnostic study, and a quantitative assessment of the future impact of the obligations (debts) assumed by beneficiaries; and (b) made strategic proposals and presented a global programme for economic and social integration. It was submitted to the Government and to representatives of the beneficiaries at the end of 1996, but there has as yet been no agreement on implementation.

34. Eight surveys of former combatants carried out from June 1993 to January 1996 have shown that 25 per cent of trained former combatants and only 20 per cent of landholders were working in the occupation for which they had been trained. Such low percentages are attributable mainly to the lack of employment opportunities in the fields for which those individuals were trained, as well as to their generally low skill level.

35. Loan programmes for Programme beneficiaries have had a series of problems such as: (a) misuse of funds; (b) a low rate of repayment; (c) the perception that funds provided from foreign sources are donations and "do not have to be repaid"; (d) low land productivity and lack of experience in agricultural work; (e) drought followed by excessive rain during the harvest season; (f) the beneficiaries' relatively high level of indebtedness (production loans, housing construction and investment in new property).

36. In order to guarantee the minimum conditions necessary for the new farmers and their families to settle on the transferred lands, housing projects were carried out as part of a series of initiatives which benefited approximately 11,000 families. Despite such efforts, approximately 65 per cent of the land programme beneficiaries still lack housing and basic services. For 1996-1998 UNDP, using funds from the Nordic countries, is helping build 3,350 incremental housing units and the European Union is continuing its Usulatán programme (6,000 beneficiaries in 1994-1997) and hopes to build 2,430 units with funds from Germany.

37. One problem area in implementing the peace agreements is human settlements. In August 1995 the Government and the FMLN signed a document providing for the transfer of properties to the community. Those settlements are made up of communities of returnees in the northern zone of the country (Chalatenango, Cabañas and Morazán). The boundaries of each settlement have now been defined and a census has listed a total of 1,104 housing units built on 207 adjacent properties belonging to 165 owners. The other housing units are built on land already acquired by the community or the beneficiaries, who must be supported in their efforts to obtain title to the land. Unfortunately there has been no

significant progress in agreements where the Government is responsible for the functioning and operation of the social infrastructure. There are also delays in developing legal procedures for the transfer of production infrastructure.

(b) Urban reintegration

38. Urban reintegration includes three projects: (a) vocational and administrative/entrepreneurial training; (b) credit for the establishment of micro-enterprises and for technical assistance; and (c) scholarships. The programme began with administrative/entrepreneurial and technical vocational training for 1,685 beneficiaries from the FMLN and 3,097 from the armed forces, with 1,328 former FMLN combatants and 2,885 demobilized members of the armed forces completing their training.

39. At the end of 1995 loans were granted to 1,113 beneficiaries from the FMLN and 1,867 from the armed forces, who received technical advice in developing their project. Delays in training and the extending of credit led some beneficiaries to drop out. The owners of these micro-enterprises requested, but did not obtain, technical assistance and/or additional training and the refinancing of their loans.

40. The support programme for the reintegration of 600 leaders and middle-ranking members of FMLN ended in August 1995; however, technical assistance continued to be provided until December 1995. Four hundred eighty-one persons received loans. Housing is being provided for this group using US$ 3.4 million from the Social Fund for Housing. As at December 1996, 197 persons had received funds, of whom 59 had legal title to their homes.

41. The scholarship programme was designed to meet the need for diversified baccalaureate studies, technological training and university education. Six hundred ninety-nine former FMLN members, 441 demobilized members of the armed forces and 532 demobilized members of the National Police were expected to take advantage of the programme. The scholarships provide for their education at the centre of their choice and pay for their living expenses, transport, tuition and books. Only 415 members of the FMLN have enrolled in university academic upgrading courses. As at December 1996, the programme had 832 recipients, 31 had dropped out and 168 scholarships had been suspended. The programme is funded by a grant of US$ 14 million from the United States Agency for International Development (USAID) and from Germany, and will end in December 1998.

42. The project for former combatant minors from the FMLN has enrolled 152 minors in educational centres and provided technical training to 97. This programme has not obtained the desired results, since only one former combatant minor has finished his studies and not one has enrolled formally in the training programme. One of the factors affecting this programme has been the limited specialized support available.

(c) Care for the war-disabled

43. The Fund for the Protection of the Wounded and War-Disabled began to pay out pensions and compensation in February 1995; pensions were made retroactive to November 1994 for the totally disabled, and to January 1995 for the partially

disabled. The Fund diagnosed 11,763 disabled persons, of whom 10,454 have received monetary benefits (pensions and compensation).

44. In September 1995, the process of validating the documentation of elderly parents and minor children of deceased combatants was begun in order to start granting benefits. Over 10,000 applicants were processed; monetary benefits were provided to 4,568 of them, including 1,324 children under the age of 18.

45. On 30 April 1997, in order to streamline the processes of legalization of the documentation of relatives of the war dead, the Legislative Assembly approved a transitional law to waive certification of the death certificates of combatants who died as a result of the armed conflict. Unfortunately the provision which was approved does not succeed in streamlining the process because it does not sufficiently simplify the complex, time-consuming and costly bureaucratic procedures to which the relatives will still be subjected in order to obtain the necessary documents.

2. Assistance to communities affected by the conflict

46. In the 115 municipalities covered by the National Reconstruction Plan which were identified as having been most seriously affected by the conflict, social and production programmes designed to help meet the economic and social needs of poor communities were carried out; these communities benefited from initiatives for agricultural development, social infrastructure, training and technical assistance, credit, establishment of micro-enterprises, social development and environmental management.

47. The Secretariat for National Reconstruction, which was established to coordinate the National Construction Plan and merged in 1996 with the Social Investment Fund, focused its efforts on the demobilization process and, in 1993, embarked on the medium-term phase, involving the incorporation of projects having a greater impact on the productive and social reintegration of former combatants and demobilized persons. The Secretariat promoted production, infrastructure and capital investment projects in the areas of education, health, environmental protection and municipal development.

48. The Secretariat's main programmes were: Municipalities in Action, the Special Urban Emergency Programme and the National Reconstruction Plan. The Municipalities in Action programme was executed directly by the municipalities, using local labour. The municipalities included in the Plan were provided with basic infrastructure through Municipalities in Action, support for reintegration into productive activity, logistic support for lands and a food distribution programme.

49. The Social Investment Fund is concerned with reconstruction and the improvement of living conditions, and its assistance is directed towards poor communities including those affected by the conflict. By the end of 1996 the Fund had approved some 6,589 projects, mainly small infrastructure projects, for a total amount of US$ 133.5 million. Some 57 per cent of the funds approved were allocated to education programmes, including the construction and repair of schools, nurseries and homes, capital investment and training; and about 27 per cent to health programmes, including construction of and capital

investment in, clinics and medical centres and the provision of drinking water, sewers, latrines and nutrition. The rest was divided between forestry, markets and irrigation programmes.

50. From July 1995 onwards, various United Nations agencies continued to provide assistance. The Office of the United Nations High Commissioner for Refugees (UNHCR) participated in assistance to communities uprooted by the conflict and in the final phase of the identity papers project. FAO is carrying out a technical assistance project for small-scale farmers (affected by the conflict) in the departments of Cabañas, northern Usulután and Morazán, in order to improve production systems and develop alternative types of production in areas with severe environmental deterioration. The United Nations Children's Fund (UNICEF) is implementing a programme of basic services in 39 municipalities (50,000 beneficiaries) in the departments of Cabañas, San Vicente and Usulután. The programme includes activities in the areas of health, education, water and sanitation, nutrition, children in especially difficult circumstances and decentralization.

51. The agricultural development project for small farmers in the Paracentral region (PRODAP), financed by the International Fund for Agricultural Development (IFAD), UNDP and the Central American Bank for Economic Integration (CABEI), is intended to improve living conditions for 5,000 low-income families in rural areas in the departments of Cabañas and San Vicente through capital development and training in agricultural production, agroindustry and marketing. The World Food Programme (WFP) is supporting this project through food aid to promote soil conservation, environmental protection, crop diversification and the upgrading of housing and roads. Continuing its contribution to the reconstruction process, WFP approved the extension of the project to April 1996, using 2,000 metric tons of food and contributions worth more than US$ 1.2 million, to benefit over 60,000 families of impoverished small farmers living in National Reconstruction Plan communities.

52. In 1995, the development project for communities affected by the conflict in the department of Chalatenango (PROCHALATE) was launched; this project seeks to bring about integrated development in the communities affected by the conflict, and is benefiting some 11,000 small farmers and small businessmen. This initiative is being financed by IFAD, the European Union and the United Nations Development Fund for Women (UNIFEM).

53. The Culture of Peace Programme was developed with technical assistance from the United Nations Educational, Scientific and Cultural Organization (UNESCO) to contribute to the reconciliation process. The aim is to incorporate the culture of peace into the learning and education processes by going beyond the mere transmission of knowledge. To date, seven project documents have been drawn up by the Government of El Salvador, non-governmental organizations and UNESCO.

54. In mid-1996, the United Nations agencies in El Salvador and the Government established a sustainable human development programme for the northern part of the country in order to assist in formulating and implementing national policies to promote and channel investments towards this geographical area. The planning of the programme was initiated with local governments, non-governmental organizations, community representatives, agencies of the central Government and other partners. The first projects were begun in mid-1997.

3. Major infrastructure

55. Between July 1995 and June 1997, external cooperation sources approved US$ 269 million, of which IDB provided about 61 per cent, CABEI about 25 per cent, and IBRD about 9.4 per cent. These bodies have the highest level of participation in efforts to implement projects on widening, repair and upgrading of highways and roads, reconstruction of the transport sector, road signs, road crossings and bridge construction. Of the amount approved, US$ 161.15 million was paid out during the period concerned.

56. USAID continued to finance the rehabilitation of small-scale local infrastructure through the Secretariat for National Reconstruction in the National Reconstruction Plan municipalities. Over the past six years over 2,600 projects were financed, particularly on road improvement, repair of schools and rural electrification.

4. Strengthening of democracy

(a) Judicial system

57. The peace agreements laid the foundations for a broad process of full-scale reform in the administration of justice. As part of the support from USAID, a training programme was developed for the Public Prosecutor's Office, consisting of the Attorney-General's Office and the Office of the Chief State Counsel. The Attorney-General's Office is being provided with training and technical assistance to improve its performance in the courts. The recently ratified reforms provided a definition of the Office's work and the cooperative role to be played by the National Civil Police in criminal investigation procedures. With the promulgation of new codes and laws, the Office of the Chief State Counsel increased its activities through the use of public defenders, given that judges of the first instance and justices of the peace are required to provide a defence attorney immediately to any detainee who does not have a lawyer.

58. Despite the efforts made to improve the administration of justice, there are still shortcomings, especially in relation to the processing of criminal trials, since many prisoners are being held without sentencing; this situation led the Supreme Court of Justice to establish a specialized department to accelerate the judicial proceedings for these detainees.

59. For purposes of capacity-building in this sector, UNDP, with contributions from the Netherlands and Sweden, implemented four new projects beginning in 1996. The first focuses on the training of prosecutors in techniques for investigating offences attributable to organized crime or to political motives, and of public defenders and justices of the peace in the future criminal code and other areas. Another project involved the elaboration of a diagnostic study of the Judicial Training School and the proposal of a comprehensive training strategy and a new programme of comprehensive training for members of the legal profession, the Public Prosecutor's Office, defenders and trial lawyers. A third project is related to the dissemination of the criminal code and of human rights among the deputies of the Legislative Assembly and lawyers' associations.

Under the fourth project, a programme will be implemented to support the opening of the penitentiary school.

60. With resources provided by Spain, UNDP has launched other projects which follow the strategic guidelines for consolidating the peace process and democratic governance. These initiatives involve assistance for magistrates' courts and public defenders and a legal education programme for the general public.

61. In late 1996, a $25-million loan from the Inter-American Development Bank (IDB) was used to launch a project for the strengthening of planning units in the institutions of the judicial system, development of a criminal policy, studies on organization and administration, creation of new laws, relating especially to alternative forms of conflict resolution, and institutional and sectoral strengthening in the area of youth.

(b) The electoral process

62. The elections of March 1994 represented a step forward in the strengthening of democracy but demonstrated the urgent need to modernize the electoral system. Despite the external support provided, this process had structural irregularities which affected its credibility, with the result that the major political parties agreed to develop electoral reforms. On three occasions the United Nations was invited by the Government to undertake election-related missions; in 1995, it recommended changes or reforms to the registry of civil status, the registry of identity and the registry of voters, as well as the implementation of residential voting.

63. In November 1994, the President of the Republic established a commission which recommended the creation of a registry of citizens and of a single identity document, the implementation of residential voting, proportional representation on municipal councils and reforms of the administrative apparatus of the electoral system. In August and September 1995, the following preliminary drafts were submitted to the Legislative Assembly: (a) the law establishing the National Registry of Natural Persons, the entity responsible for developing a single identity document, from which the new registry of voters will be derived; and (b) reforms of the electoral code to include residential voting and administrative reforms of the Supreme Electoral Tribunal. In October 1995, the Legislative Assembly approved the establishment of the National Registry of Natural Persons and, in December, its Organizational Act, which has not yet been implemented.

64. For the March 1997 elections, the Supreme Electoral Tribunal designed a plan for solving voter registration problems. Although the number of registered voters increased in relation to 1994, the number of persons excluded from the registry remains high, as does the number of persons who are registered but do not have voter registration cards. This situation affects half a million people of voting age. The reliability of the registry of voters is limited and open to question because of the failure to screen its content and because of the number of citizens whose registration was not backed up by a birth certificate.

65. During the 1997 elections, several reforms of the electoral code were adopted which tended to benefit certain political actors. This generated

insecurity in the process and introduced factors which made the electoral race less equitable. The events surrounding the recent elections caused a growing distrust among the population, and voter turnout fell short of expectations. A high degree of civic and electoral apathy and non-participation was noted.

(c) Public security

66. Since 1992, a number of bilateral and multilateral organizations have provided resources to furnish the National Public Security Academy and the National Civil Police with equipment, basic materials and uniforms and to assist their deployment. In addition, technical assistance has been provided through the participation of international consultants and instructors in the basic training of new police personnel at various levels and in the provision of specialized training and consultancy services to the administrative authorities of those institutions. Brazil, Chile, the European Union, France, Mexico, Norway, Spain, Sweden, the United States (International Criminal Investigative Training and Assistance Programme (ICITAP)), the United Nations Observer Mission in El Salvador/United Nations Mission in El Salvador (ONUSAL/MINUSAL) and UNDP have made technical and financial contributions to establish, guarantee and strengthen the functioning of the National Civil Police and the Academy.

67. Since 1995, UNDP and MINUSAL/United Nations Office of Verification in El Salvador (ONUV) have developed mechanisms to coordinate and harmonize cooperation in this sector. Over the past two years, external assistance to the National Civil Police and the Academy was maintained and extended to the National Public Security Council and the Office of the Inspector-General of the National Civil Police.

68. The United States has continued to provide assistance in three major areas: (a) assistance for the development of the Academy, (b) cooperation for the development of the National Civil Police and (c) cooperation in the organization and strengthening of the criminal investigation division of the National Civil Police. In 1995, the European Union signed cooperation agreements with the National Civil Police and the Academy to finance the services of experts, to train personnel in each institution and upgrade their knowledge, to develop infrastructure and to provide equipment.

69. The Government of Sweden increased its aid to the National Civil Police to support the strengthening of regulatory and control bodies, and approved a project to strengthen the Academy in the areas of specialization and academic admissions. Mexico is co-financing the Academy's modular training initiative, which provides instruction at the agents' duty stations. France has provided cooperation to improve criminal investigation procedures and strengthen preventive surveillance, provided advisory services for anti-drug efforts and cooperated in the training of personnel of the Office of the Inspector-General of the National Civil Police and in the training of the riot prevention unit of the National Civil Police.

70. In 1996, with funds from Spain, UNDP expanded cooperation in this sector, approving an assistance project for the National Public Security Council under which specialized technical resources are provided to ensure the Council's full functioning and the implementation of the primary tasks which it was established to carry out.

71. In 1996-1997, a diagnostic study was prepared on the managerial capacity of the National Civil Police and the Academy. This effort, which was promoted by UNDP, identified priorities for strengthening managerial capacities and yielded information which will make it possible to put forward sound technical and operational proposals to overcome various deficiencies, in particular the dysfunctional relations between the National Civil Police and the Academy.

72. In addition to the presence of Spanish and North American instructors, since June 1995 the Governments of Norway, Sweden and Brazil have approved the presence of instructors for 70 person-months, 105 person-months and 12 person-months, respectively.

(d) Human rights

73. The energies of the Office of the National Counsel for the Defence of Human Rights have been focused on three areas: (a) verification of events or situations that might constitute violations of human rights, (b) technical institution-building for the supervision and control of legality in the public administration and (c) human rights promotion and education. Australia, Canada, Denmark, Netherlands, Norway, Sweden, the European Union and the United Nations (ONUSAL, UNDP and UNICEF) have provided technical and financial assistance for the Office's functioning and for the development of its managerial capacity.

74. The chief technical challenge facing the Office of the National Counsel has been the need to establish non-judicial procedures for the protection of human rights. Projects financed by various donors have resulted in the provision of specialized human resources to advance this process of doctrinal development, which is unprecedented in Central America owing to the broad spectrum of rights for which various protection procedures have been designed.

75. A central element of the strategy of the cooperation provided to the Office of the National Counsel is related to the institutionalization of the legal procedures which have been devised, through the preparation of regulatory documents and handbooks, the design of an information management system for complaints, human resources training and collaboration in fine-tuning the dynamics of the Office's organizational structure. Technical cooperation also resulted in the provision of some equipment and the training of personnel in the departmental branches and strengthened the Office's presence at the local and regional levels, in addition to consolidating the legal system for supervision and investigation.

76. The project on strengthening the observation, monitoring, analysis and investigation techniques of the Office of the National Counsel for the Defence of Human Rights, financed by the Nordic countries and the Netherlands, has strengthened the Office's technical and advocacy skills. During 1996-1997, the project has been reinforcing the Office's technical and administrative management capacity in human rights protection and is creating administrative, management and operational structures for the non-jurisdictional control of the legality of governmental actions. It provides assistance in designing appropriate organic structures for the associate offices to carry out their functions; in implementing the programmes, procedures and methods for the protection of the rights of the child, women and older persons, and of the environment; and in organizing departmental delegations, with an emphasis on

field work programmes and staff structure and on establishing an effective, decentralized decision-making process.

77. In the field of human rights training and dissemination, the Office is continuing its dynamic and effective work, supported by various non-governmental organizations, the European Union and UNDP. A recently approved supplementary contribution from Canada is designed to strengthen the Office's local operational and travel capacity as a complement to the institution's own efforts.

78. Together with the consolidation of the monitoring and management system, the Office must make progress in other areas, such as the following: developing machinery for the protection of economic, social and cultural rights; strengthening its departmental branch offices and associated offices; and monitoring the legality of the activities of the National Civil Police and its own cooperation with the latter. The mechanism of public censorship and available legal remedies must be used more effectively in order to defend human rights within the framework of justice as provided for under the constitution. The Office also needs to establish closer ties with non-governmental human rights organizations.

IV. PROSPECTS FOR NATIONAL RECONSTRUCTION AND THE STRENGTHENING OF DEMOCRACY

79. The implementation of the peace agreements has laid the foundations for a new type of social coexistence in which the rule of law prevails. The Government and civil institutions should take on these commitments as part of a standing agenda, ensuring that their development policies recognize the spirit of the peace agreements, respond to the results of these agreements and guarantee that the process spreads to all levels. Development policies and the consolidation of the peace process should complement each other instead of being mutually exclusive.

80. The implementation of programmes on the reintegration of former combatants does not in itself ensure sustainability if short-term approaches are favoured. Sustainability requires a real shift in the strategies devised to serve these beneficiaries.

81. From the beginning, the reintegration projects have been plagued by administrative, financial and even political delays. Agricultural reintegration has experienced the most setbacks. Crucial aspects have not yet been resolved, including land transfer, investment credits, improving the economic and social infrastructure and countering the lack of housing and basic services. The reintegration programmes in industry and services provide only limited training and credits for former combatants. Except those involved in the programmes for leaders and mid-level FMLN officers, the rest have not received any steady guidance, have had no access to monitoring and advisory assistance and have received no help in consolidating businesses.

82. Priority must be given to actions which ensure the operation of democratic institutions in the spirit in which they were created or reformed. Political backing and technical and financial assistance are needed for the public

security agencies (National Civil Police, National Public Security Academy), the Office of the National Counsel for the Defence of Human Rights, the institutions of the judicial branch and the various election-related bodies. Although progress has been made, these institutions still require more to be done to strengthen the security model, to implement electoral reforms and to enhance the credibility of the system for the administration of justice.

83. With the launching of the Fund for the Protection of the Wounded and War-Disabled in 1995, progress was made in certifying 11,763 persons as disabled and in granting compensation and pensions. The complex process of document legalization is preventing over 14,000 beneficiaries (family members of the war-wounded) from gaining immediate access to the resources to which they are entitled by law.

84. The country could be severely affected by a change in the residency situation of Salvadoran citizens in the United States of America, since their "temporary resident" status expires in 1997. If a mass emigration were to occur, it would have an economic and social impact; in the economic sphere, for example, it would decrease family remittances and create greater competition on the job market.

85. The need for external cooperation still exists; without it there is little likelihood of consolidating the peace process and guaranteeing democratic governance. Donors responded generously to the request for the funding of projects related to major infrastructure, the improvement of social services and compensation. However, on a number of occasions the response fell short of the amount required to complete other programmes. The main projects that still require funding include those on democratic institutions and productive and social reintegration. I should like to take this opportunity to call on the international community, which has contributed so much to the progress made in El Salvador since the signing of the peace agreements, to continue its political, technical and financial support for the complex process of rebuilding and developing the country.